



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CAMPAIGN & POLITICAL FINANCE

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MARY F. McTIGUE
DIRECTOR

August 11, 1993
AO-93-18

Virginia C. Randall
Sue Bush for School Committee
26 Bradley Hill Rd.
Hingham, MA 02043

RE: Political Committee Use of Newsletter and Speakers

Dear Ms. Randall:

This letter is in response to your April 14, 1993 letter requesting an advisory opinion regarding whether campaign contributions to a political committee organized to support a candidate may be used to produce and distribute a periodic newsletter concerning the Hingham Public Schools. You also ask whether such contributions may be used to pay speakers who would appear and discuss topics of interest to local parents, and whether these speakers may speak in a public building. Finally, you ask for guidance on tax and investment matters. For purposes of clarity I will address each of your questions separately.

1. Can campaign contributions be used to produce and distribute a periodic newsletter which relates information concerning the Hingham Public Schools?

M.G.L. c.55, s.6 states in pertinent part that political committees such as Mrs. Bush's "may receive, pay and expend money or other things of value for the enhancement of the political future of the candidate . . . so long as such expenditure is not primarily for the candidate's or any other person's personal use. . . ." This principle is also embodied in regulations promulgated by this office. See 970 CMR 2.06(6)(b). In addition, all expenditures by definition must bear a reasonable nexus to their fundamental "purpose of influencing the nomination or election" of the candidate. See M.G.L. c.55, s.1.

Therefore, as long as the newsletter was prepared and disseminated as a means to enhance the candidate's political future and bears a reasonable nexus to her nomination or election, it would be permissible to use campaign funds to pay for such a newsletter. The campaign finance law also allows committee funds to be used on what is considered constituent or legislative work. See M.G.L. c.55, s.6 as amended by section 379 of Chapter 133 of the Acts of 1992. Therefore, if the newsletter were to facilitate better constituent services or liaison, then campaign contributions could be used in that

manner as well. Since the newsletter appears to serve either (or perhaps both) the enhancement of the candidate's political future in a manner sufficiently connected with her nomination and/or election and the provision of appropriate constituent services, the use of committee funds for its production and dissemination is permissible.¹ Of course, public employees may not prepare or disseminate this material during work hours nor may any public resources be used for such purposes. See Anderson v. City of Boston, 376 Mass 178 (1978).

2. Can campaign contributions be used to pay speakers who would discuss topics of interest at parent meetings? If contributions can be used for this purpose, can such meetings be held on school property? If not can contributions be used for payment of rental space?

Mrs. Bush's political committee may expend campaign funds to pay speakers who would speak to parents or constituents of the candidate as long as such expenditures meet the above criteria related to the candidate's political enhancement or the provision of constituent service. Since the speakers you have described would be invited in an attempt to get more parents involved, and since these parents represent potential voters and constituents, such speaking events bear a reasonable relationship to the enhancement of Mrs. Bush's political future and subsequent nomination and election. In addition, Mrs. Bush appears also to be providing a service to her constituents so the expenditure would be permissible as a constituent service.

You and Mrs. Bush should be aware, however, of the restrictions the campaign finance law places on fundraising by public employees and in public buildings. Specifically, I note that section 13 of M.G.L. c.55 prohibits the solicitation or receipt of political funds by a non-elected public employee, and section 14 prohibits solicitation or receipt of political contributions by any person in a public building. Therefore, as long as no speaker who is a public employee solicits funds, and as long as no funds are solicited by any individual in a public building, speakers may be paid for their appearances by the committee and the events may take place in public buildings provided such appearances comply with equal access provisions for all political committees wishing access. See OCPF AO-90-02. If the events took place elsewhere the committee could pay for the reasonable costs of such rentals. For your information, I have enclosed this Office's Interpretative Bulletin IB-92-01 and Advisory Opinion AO-93-04 which address these issues in more detail.

1. For purposes of this opinion, I assume that contributions are not being solicited in order to underwrite this activity because, for example, the schools lack the resources to print and/or distribute such material. While I do not express a formal opinion on this point, I note that it may not be consistent with the campaign finance law since, *inter alia*, the committee would be receiving funds which were not necessarily intended to enhance a candidate's political future.

3. Is Mrs. Bush's political committee required to pay state or federal taxes on campaign contributions or bank interest accrued from these contributions?

The answer to this question is better addressed by the state Department of Revenue and the U.S. Internal Revenue Service. Please contact these agencies for any information on tax questions. For your information, I have enclosed this Office's memo M-89-02 which includes all relevant contact numbers for these agencies.


4. May Mrs. Bush's political committee maintain a NOW account after the election?

Regulations promulgated by this office provide that political committees may invest their funds in certain specific accounts and instruments. 970 CMR 2.07(b) provides that a political committee may invest funds in a "savings account, which shall include any interest bearing account or deposit in a bank or savings institution." Since a NOW Account is an interest bearing account, Mrs. Bush may invest in such an account either before or after a primary or election. For your information I have enclosed a copy of this office's publication Massachusetts Campaign Finance Laws and Regulations.

This opinion has been rendered solely on the basis of representations made in your letter and solely in the context of M.G.L. c.55.

Please do not hesitate to contact this office should you have additional questions about this or any other campaign finance matter.

Very truly yours,


Mary F. McTigue
Director

Enclosures